

VZCZCXRO2886
RR RUEHBZ RUEH DU RUEHJO RUEHMR RUEHRN
DE RUEHMB #0319/01 3231527
ZNR UUUUU ZZH
R 191527Z NOV 09
FM AMEMBASSY MBABANE
TO RUEHC/SECSTATE WASHDC 3789
INFO RUCNSAD/SOUTHERN AF DEVELOPMENT COMMUNITY COLLECTIVE

UNCLAS SECTION 01 OF 02 MBABANE 000319

SIPDIS

SENSITIVE

E.O. 12958: N/A

TAGS: [EIND](#) [ETRD](#) [PGOV](#) [WZ](#)

SUBJECT: SWAZI COMMERCE MINISTER: SUSTAINABLE SMALL ENTERPRISES AND
ENTREPRENEURSHIP POINT TO WAY FORWARD

¶1. (SBU) SUMMARY: Minister of Commerce, Industry and Trade Jabulile Mashwama confided to Ambassador and PolOff November 19 that the need for Swazis to change their cultural mind-set and take on greater personal responsibility for their economic welfare was her biggest challenge. In government, ministries and other organizations need to pursue coordinated strategies, and within her ministry Minister Mashwama affirmed she wants to develop a better strategy to encourage sustainable small enterprises. She agreed that there is a perception that corruption is rampant in Swaziland, and emphasized that Prime Minister Barnabas Sibusiso Dlamini and the cabinet were focused on the issue. Minister Mashwama stated that government would be highlighting seven high-profile corruption cases over the next few months. END SUMMARY.

¶2. (U) On November 19, Ambassador and PolOff paid a courtesy call to Minister of Commerce, Industry and Trade Jabulile Mashwama, who stated that Swazis need to change their cultural mind-set and take on greater personal responsibility for their economic welfare. In Swaziland, she explained, people expected somebody to put up capital for or otherwise help them get their businesses off the ground. She indicated that government should focus on instilling entrepreneurial principles in the populace and improve education. She emphasized she enjoyed the prime minister's full support in that connection. The Minister believed that, in order to improve services and advance the cause of the nation, ministries and other organizations needed to pursue coordinated strategies, something she saw as improving under the current prime minister.

¶3. (U) Within her ministry, Minister Mashwama affirmed she wanted a better strategy for encouraging sustainable small enterprises. She indicated the Swaziland Enterprises Development Company (SEDCO) suffered from expectations of continuous government support for rent and expenses to participants who never left the program. She stated that her Ministry was restructuring SEDCO to encourage participants to become viable, independent entrepreneurs. She complimented U.S.-funded Technoserve on its activities training small and medium business in Swaziland.

¶4. (U) The Minister agreed with the Ambassador that there is a perception that corruption is rampant in Swaziland, although she and her husband, who is a businessman, had never experienced it. She emphasized that Prime Minister Barnabas Sibusiso Dlamini and the cabinet were focused on the issue, and that a cabinet working group had been formed to tackle the subject. Minister Mashwama stated that government would be highlighting seven high-profile corruption cases over the next few months, one of which, concerning a school principal who had embezzled funds from his institution, was in the courts.

¶5. (SBU) COMMENT: On November 18, Ambassador Irving hosted a luncheon for 15 managing director-level leaders of American businesses and franchises in Swaziland. The overarching impression left from the business leaders' comments was that government corruption and requests for kickbacks have gotten substantially worse in Swaziland over the past few years, costing their enterprises a great deal of business to less scrupulous local and regional competitors. Participants indicated that requests for bribes by government officials have become more blatant. When

participants discussed the new Anti-Corruption Commission, they were dismissive of its possible effectiveness and openly scoffed at Prime Minister Barnabas Sibusiso Dlamini's anti-corruption campaign. Business leaders also mentioned that courts tended to hand down lenient sentences to those few actually convicted for corruption.

¶6. (SBU) COMMENT CONTINUED: Minister Mashwama appears idealistic and energetic about her portfolio, which she indicates has taken her a year to master. She recognizes that there is much to be done to improve Swaziland's image as an investor-friendly country, and concedes that government dysfunction hinders its ability to address shortcomings. It is possible that she has been shielded from corrupt practices having worked for Coca Cola, which enjoys a special status in Swaziland thanks to the revenue it generates for the government. Nevertheless, we suspect she is in denial regarding the extent of corruption in the country. In the course of the conversation, she made her unswerving loyalty to the king and prime minister abundantly clear. END COMMENT.

¶7. (U) Biographical information: Born August 28, 1971, Jabulile Mashwama was appointed to the Senate and as Minister of Commerce, Industry and Trade by King Mswati III in October 2008. Prior to her government service, Mashwama was a highly regarded businesswoman in Swaziland, serving as the human resources manager at Coca-Cola Swaziland (CONCO). She joined CONCO in 1994, initially working as a laboratory chemist. A year later she was promoted to team leader in the water treatment plant. In 1998 she became an environment, safety and loss prevention officer and was promoted to manager in 1999. She was promoted to the position of human resources manager in 2005.

¶8. (U) Mashwama holds a Bachelor of Science degree in math and science from the University of Swaziland. She has served on several

MBABANE 00000319 002 OF 002

boards such as the Swaziland Revenue Authority, Swaziland Environment Authority, Federation of Swaziland Employers, and Chamber of Commerce. She was also a member of World at Work, which is a human resources practitioners' body. She is married and has two children.

IRVING